ISSN 1880-3245
May 2007, No.13
http://www.21coe-win-cls.org/e_index.html

Newsletter

21COE-WIN-CLS RCLIP

RCLIP Asia Seminar (2007/2/8)

1. Vietnam Seminar

The RCIP invited Judge Nguyen Van Luat of the Supreme People's Court of Vietnam, Judge Nguyen Thi Thuy of the Hanoi People's Court, and Ms. To Thi Kim Nhung, Legal Expert of the Supreme People's Court of Vietnam to speak at Vietnam Seminar on February 8, 2007. They reported on the overview of IP legal system in Vietnam, IP cases at Vietnamese courts as well as court's jurisdiction in the case of IP dispute resolution. In addition, Judge Masaki Sugiura of Tokyo District Court attended as a panelist to make supplementary remarks on their reports.

First, in the report of "Introduction of IP law in Vietnam", Mr. Nguyen Van Luat explained about the overview of Vietnam's new IP Law enacted last year, showing the Articles of the Law. He introduced this Law stipulates not only copyright or industrial property rights, but also rights in plant varieties. Also, in addition to the content of the new law, he referred to the background to the law amendment such as the reasons why Vietnam became a member of the WTO.

Next, in the report of "Introduction of IP cases at Vietnamese Courts", Judge Nguyen Thi Thuy introduced the proceedings at courts for IP dispute resolution and so on. Then, he introduced the copyright related cases handled by the Hanoi People's Court. One was the case to seek injunction against the third parties using the work that had no copyright registration. Another was the case to judge the appropriate use of the citation. In addition, he mentioned that there had not been so many IP related cases of either civil or criminal cases in Vietnam. Especially the number of the judgments related to compensation damages is very few. For example, the IP Law stipulates that the infringer must compensate the plaintiff's cost to hire a lawyer representing the plaintiff. However, he said that it was quite difficult to exactly determine what amount would be appropriate.

Then, Ms. To Thi Kim Nhung presented her report titled "the Jurisdiction of People's courts in IP dispute resolution". She elaborated the overview of Vietnamese courts including the Supreme Court, Provincial Courts, and District Courts as well as the jurisdiction of each court; for example, the jurisdiction is different from the case claiming damages to the case not claiming damages. She also explained the overview of the proceedings and penalties in the case of administrative measures taken by Police, the Market Management Department, or the People's Committee to crack down on infringement, and also, the proceedings to file a complaint to the court if such administrative measures were illegally taken.

ISSN 1880-3245
May 2007, No.13
http://www.21coe-win-cls.org/e_index.html

Judge Masaki Sugiura, who was familiar with the Vietnamese legislation, made a supplementary comment on the jurisdiction of Vietnamese courts, the difference of the ownership concept between Japan and Vietnam in accordance with the Civil Code, and the difference of the concept of IP between two countries based on the different ownership concept.

At the end, the panelists lively exchanged views, responding to the questions from the floor.

（RA Asuka Gomi）

2. Indonesia Seminar

Following the Vietnam seminar, the Indonesia Seminar was held from 5 p.m. to 7 p.m. at the room “Subaru” of Toshi Center Hotel. It invited Judge Agung Sumanatha, Ms Fiona Butar, an attorney, and Mr. Gunawan Sursytoyo, a patent attorney from the Supreme Court of Indonesia. They presented on IP enforcement in Indonesia.

The RCLIP has collected IP precedents in Asian countries and published the summaries of the precedents in English. For the Indonesian precedents, it published 80 cases in 2006, with the cooperation of the Supreme Court of Indonesia. Judge Agung and Ms.Butar have taken a major role for the database collection on a practical level.

First, Judge Agung elaborated the IP legal system and the court system in Indonesia. After introducing the overall IP system, he explained the dual system in IP law enforcement to a crime requiring a formal complaint from the victim for prosecution and referred to the issues with the temporary restraining order.

Next, Attorney Butar explained about the development and the current condition of Indonesian laws including the relationship to international treaties. The Trademark Law was amended by the Law No. 15 of 2001. This amendment required a formal complaint must be filed for trademark infringement.

The last speaker, Mr. Gunawan introduced concrete precedents in response to the explanations about the Indonesian IP law system by the first two speakers. As trademark precedents, he raised the use of descriptive words as a trademark, and the registration of a trademark similar to the well-kwon trademark that was used for a different kind of product. As design precedents, he expounded on the case of a prayer mat and the case of Honda automobile.

（RA Akiko Ogawa）

» RCLIP co-sponsored - International IP Dispute Resolution Symposium（2007/3/3）

1. Overview

Transnational infringing acts, which are suspected of constituting an infringement if they are done within one country, have been made possible by development of international transaction or the Internet. This situation has created arguments as to whether to maintain conventional ideas of territoriality principle that effects of intellectual property right in one country shall not extend to the acts taken place abroad. Furthermore, for the issue of a so-called patent troll that does not utilize intellectual

ISSN 1880-3245
May 2007, No.13
http://www.21coe-win-cls.org/e_index.html

property, but mainly exercises the right of exclude, arguments also occurred as to whether it is appropriate for courts to order an injunction without exception.

With this respect, the U.S. Supreme Court has been actively working on such issues in recent years. For example, the Court granted certiorari in Microsoft v. AT&T and rejected the CAFC's decision holding that the act of shipping a program disc to a foreign country and copying it to install on a computer constituted infringement of a U.S. patent (＊). In its decision on the eBay case, the Court ruled that a permanent injunction for patent infringement was permitted only when a patentee satisfied a four-factor test.

This symposium invited Japan and U.S. judges with years of experience in IP dispute resolution in the first panel to examine the issues related to patent enforcement against transnational acts, mainly focusing on the AT&T case as well as the BlackBerry case on which the Supreme Court concluded that the BlackBerry constituted infringement of a U.S. patent as a whole even though one of the components of a patented invention was found abroad. In the second panel, researchers from Japan, the U.S., Europe, Korea and Taiwan were invited to conduct comparative legal analysis on injunction and claim for compensation as proper resolutions for IP infringements using the U.S. Federal Court's decision last year on the case of eBay v. MercExchange.

2. Panel Discussion 1: Current Issues on International Execution of IPR

First, Professor Ryu Takabayashi of Waseda University introduced the panelists and presented a report on the current condition of legal system and precedents in Japan and the U.S.

As Japan's legal system and precedents, Professor Takabayashi outlined the principle of territoriality and the principle of patent independence, referring to the Supreme Court's decision on the BBS case. In addition, he introduced the ideas of establishing direct infringement and indirect infringement when more than one person shares the act of enforcing a patented invention, as well as the ideas of establishing joint tort, contributory infringement, and inducement of infringement in such a case.

On the other hand, as the U.S. legal system and precedents, he briefly introduced Article 271 (a) and (f) of the U.S. Patent Law in addition to the AT&T case and the BlackBerry case.

Next, Judge Randal Rader, Court of Appeals for the Federal Circuit made a presentation.

After introducing the fact of the BlackBerry case, he mentioned the CAFC's decision on the case. The decision provided an answer to the issue that liability for patent infringement could be quite easily avoided by locating a part of components of a patented invention abroad. He pointed out that although the CAFC decided the act of copying abroad was the act of "supplying" under the Article 271 (f) of the U.S. Patent Law, there were a small number of opinions holding that the act of copying abroad should be ruled under the law of the relevant foreign country.

Then, Kent A. Jordan, U.S. Court of Appeals for the Third Circuit made a presentation.

He positioned the AT&T case as a very significant case on the point that the Supreme Court granted certiorari.

In addition, he pointed out there were some precedents deciding that infringement of the U.S. patent was not constituted when a part of components of a patented invention occurred abroad such as the Deepsouth case. He said that the AT&T case might seek plaintiff's moral

ISSN 1880-3245
May 2007, No.13
http://www.21coe-win-cls.org/e_index.html

responsibility, however, the law must be used as prescribed and whether or not to question moral responsibility would be the matter of legal system.

Next, Judge Ryuichi Shitara, Tokyo District Court presented a report.

He introduced the Supreme Court's decision on the FM demodulation case. Based on the case, he examined the question of what would happen when the CAFC's AT&T decision would be enforced in Japan. Enforcement of foreign judgments in Japan needs a judgment by Japanese courts. However, if the content of the foreign judgment offends the public interest of Japan, a judgment to enforce will not be accepted. Therefore, there is a great deal of possibility that a judgment to enforce will not be granted for the CAFC's decision on the ground that it offends the principle of territoriality in Japan.

Judge Shitara also said that it was highly possible to deny joint tort under Japan's legal system when a part of components of a patented invention occurred abroad.

Last, Judge Tomokazu Tsukahara, IP High Court presented a report.

He examined indirect infringement under Japan's legal system by introducing the IP High Court's decision on the Ichitaro case.

He also made a comment on whether the enforcement of Japan's patent was right or wrong when a part of components of a patented invention occurred outside of Japan. In such a case, it is desirable to seek adjustment for granting patent enforcement. However, it is necessary to fully examine the requirements or scope for granting patent enforcement. Then he concluded that the idea of accepting only a claim for damages instead of injunction should be taken into consideration.

After the reports stated above, Mr. David Simon, Intel Corp. gave a comment. Then, a QA session followed.

In the QA session, a discussion took place very actively. In relation to the AT&T case, there was an argument that it was not appropriate to identify a copy with the original even if the act of copying was easy. To counter the argument, an opposing opinion was presented. It noted that the act of copying was not important but the presence or absence of the intent of copying was important. There was a question asking what the claim for damages would be in Japanese patent infringement lawsuit if the claim for damages in the U.S. patent infringement lawsuit will extend to the plaintiff's act in Japan. Two points of views were presented as a response. One was that the claim for damages in the U.S. must be taken into consideration in Japan. Another was that these must be differently treated.

(＊) On April 30 of 2007, the U.S. Supreme Court ruled that the act of copying a program disc shipped from the U.S. to a foreign country and installing it on a computer did not constitute infringement of a patent

（RA Motoki Kato）

3. Panel Discussion 2: Current Issues on Resolutions for IP Infringements

After the opening remarks, Professor Toshiko Takenaka, UW Law School, Visiting Professor of Waseda University, who moderated the second session, introduced the panelists of the session. The panelists were: Professor Polk Wagner, University of Pennsylvania Law School, Professor Gideon Parchomovsky, University of Pennsylvania Law School, Professor Heinz Goddar, University of Bremen, Professor Sang-Jo Jong, Seoul National University, and Professor Ming-yung Shieh, National Taiwan University.

First, Professor Takenaka introduced the fundamental concepts regarding remedies against

ISSN 1880-3245
May 2007, No.13
http://www.21coe-win-cls.org/e_index.html

IP infringement. There are two kinds of remedies in the Patent Act. Injunction, a remedy by equity law (Article 100 of Japan, Section 230 of the U.S.), is different from a claim for damages, a remedy by common law. However, she said that these two should not be considered separately. The way to characterize these two would become an issue.

In Japan, the rule for a claim for damages is the same either for patent or copyright. In contrast, in the U.S., the rule for a claim for damages is different in every area. Another issue is whether the rule for a claim for damages could be common in the sense of IP remedies or it should be considered separately for each area. The rule for a claim of damages in Section 284 of the U.S. Patent Act is "minimum compensation" and a special treatment only for patent.

In addition, she introduced a new type of issues in these modern days. Software or business models have not proved their novelty or nonobviousness very well because of lack of the enough DB of prior art. Software has a lot of functions but only a small part of the software is actually infringed. In such a case, the way to see damages also becomes an issue.

After Professor Takenaka raised various issues, the reports by the panelists continued.

Professor Wagner focused on the issue of patent troll, which was a hot topic in patent enforcement. He said he was going to talk about the patent enforcement when he started talking about patent remedies. However, his focus was mainly on the definition of the patent troll because it was not clearly established yet.

Professor Jong explained that Korean courts had been taking very similar stance to the U.S. courts, showing the U.S. court's stance in the e-Bay case. He said that injunction is automatically granted to the case where infringement was proven and that judge's discretion is actually accepted although it is said that no discretion is admitted. In addition, he introduced the issues related to assessing the compensation for damages (Article 128 of the Korean Patent Law and Article 67 of the Korean Trademark Law), by specifically raising the Daewoo Motors decision（the Supreme Court of Korea, 93 Ma 2022 November 10 of 1994）.

Professor Parchomovsky outlined the remedies in the U.S. Copyright Law at first. Then, he emphasized the importance of preliminary injunction in practice. He introduced four general guidelines of preliminary injunction, two guidelines for copyright added by the 9th Circuit Court, and three guidelines added by the 2nd Circuit Court. Then, referring to permanent injunction, he explained the effect that it acts as a deterrent although no profit returns to the copyright owner. In relation to the amount of damages, he raised the TV program case (Columbia Pictures v. Krypton, 9th Cir 2001)

Next, Professor Shieh introduced Taiwanese IP resolution system as well as the topic of establishing IP Court in Taiwan. Taiwan abolished criminal liability for patent infringement in 2003. She explained the reason why Taiwan did so and presented a comparative legal approach saying that infringements give rise to only civil liability in the U.S. but both civil and criminal liability in Germany and Japan. Professor Heinz Goddar compared injunction in Germany (Article 139 of the German Patent Law) with that in the U.S. It is difficult to prove it in the country that has no discovery procedure. Especially in case of border measures (injunction by the customs offices), importers must prove whether the imports are illegal or not. She raised an issue that importers suffer from the burden to prove it because it takes a long time.

ISSN 1880-3245
May 2007, No.13
http://www.21coe-win-cls.org/e_index.html

After the break, Attorney Stuart or Judge Mimura gave comments. Then, an active QA session and discussion followed.

(COE Research Associate Lea Chang)

RCLIP Workshop Series No.19（2006/4/25）

"Issues and Perspective over Right of Publicity"

Associate Professor Tatsuhiro Ueno
Rikkyo University

1. Overview

The RCLIP Workshop Series No.19 held on April 25 of 2007 invited Associate Professor Tatsuhiro Ueno of Rikkyo University to give a report on the theme of "Issues and Perspective over Right of Publicity".

Associate Professor Ueno pointed out that, for judging infringement of the right of publicity, the standard to see "whether the act focuses mainly on publicity value of other person's name or likeness for the purpose of making use of it" was almost firmly established, but it started to crumble recently. With such awareness of the issue, he outlined the history of the right of publicity and also sorted out the arguments over the right. Then, based on that, he analyzed recent precedents by using the actual images as well as presented remaining issues.

2. History of the Right of Publicity

Associate Professor Ueno stated that the history of developing the right of publicity could be divided in two periods.

First, he brought up the decision in the Mark Lester case as a major precedent in the initial stage of the history of the right of publicity. He pointed out that a claim for damages was admitted at that time for alleging illegal commercial use of a celebrity's name or likeness.

Then, he brought up the appeal court's decision in the Onyanko Club case as a major precedent in the establishing stage of the right of publicity. He explained that the right of publicity was regarded as an exclusive right over time and that not only a claim for damages but also injunction could be admitted.

3. Arguments over the Right of Publicity

He sorted out four issues: legal nature/ground, subject, object, and infringement judgment.

With respect to legal nature/ground of the right of publicity, two conventional theories were explained. The property rights theory legitimates protection of profit from property. The moral rights theory legitimates injunction. He pointed out that, about the former theory, admitting the property right without statutory law could become a problem and about the latter theory, it would be difficult to legitimate that the moral right protects profit from property.

Then, as the recent proposed theory, he introduced the unfair competition theory that finds the ground of the right of publicity on the first paragraph (1) of Article 2 of the Unfair Competition Law (the act of causing confusion with another person's goods or business) and the incentive theory that the right of publicity is admitted in order to meet needs to ensure incentives of businesses such as show business.

Next, as to the subject of the right of publicity, he pointed out the issues like whether to admit

ISSN 1880-3245
May 2007, No.13
http://www.21coe-win-cls.org/e_index.html

the right to those other than celebrities, whether to admit a certain right to entertainment agencies, whether to allow transferring or inheriting the right of publicity, and how long the right of publicity continues.

Furthermore, as to the subject of the right of publicity, he introduced the problem of whether owners of goods have a certain right for the use of image or name of the goods, referring to the related precedents.

As to infringement judgment, he stated that the previous precedents often adopted the standard to see "whether the act focuses mainly on publicity value of other person's name or likeness for the purpose of making use of it". Then, he pointed out that some precedents within these two years adopted the standards such as the general equity guideline "comprehensively balancing the content/nature of likeness, the purpose of usage, the form of usage, the degree of damages, and others", the strict standard "requiring additional requirements such as defamation or privacy infringement in addition to the fact of using likeness, etc.", and the loose standard "saying the commercial use of likeness, etc. without permission constitutes a tort". He concluded that the standard for infringement judgment of the right of publicity was almost established, but recently it started to crumble.

He also examined the adoption of the standard in detail by classifying precedents into books, pictorial magazines, and games, and concluded that the difference of the standards seemed to give no major impact on the results.

4. Remaining Issues

As the direction of the interpretation theory , he pointed out conclusion of the discussion regarding legal nature and establishment of the criteria for infringement judgment. In addition, as the direction of legislation theory, he suggested a new legislation on the right of publicity, and amendments to the Unfair Competition Prevention Act as well as proposed amendments to the Copyright Act, showing that the right of publicity is similar to the neighboring rights of performers.

5. Questions and Answers

Following the stated report, a QA session took place with the participants. The discussion varied from a practical matter based on the current condition of show businesses to a theoretical matter relating to legal nature of the right of publicity. The workshop ended with great success.

(COE Research Associate Lea Chang)

The RCLIP's
Asian IP Precedents Database Project

※ The database is available in English, free of use at: http://www.21coe-win-cls.org/rclip/db/

IP Database Project: China

The Chinese database project of FY2006 completed as planned except 50 Trademark data of Beijing. For addition of Chinese precedents this year, the project progresses smoothly with the help of the collaborators at Peking Univ., Tsinghua Univ., Renmin Univ., Zhongshan Univ., and the Higher People's Court of Shanghai.

(RA Yu Fenglei)

IP Database Project: Thailand

Currently 254 Thai precedents have already been placed at the database. More 50 cases were already prepared and will be added soon.

(RC Tetsuya Imamura)

IP Database Project: Indonesia

In addition to 80 precedents at the database, additional 20 cases were already prepared. They will be uploaded to the database soon.

(RA Akiko Ogawa)

ISSN 1880-3245
May 2007, No.13
http://www.21coe-win-cls.org/e_index.html

R
C L I P

IP Database Project: Taiwan

In addition to 300 precedents, additional 50 precedents were already prepared and will be uploaded soon.

(RA Akiko Ogawa)

IP Database Project: Vietnam

We have not started any concrete process yet this fiscal year. However, with the help of the local collaborators, we are planning to continuously work this year, aiming for the addition of multiple precedents to the database.

(RA Asuka Gomi)

IP Database Project: Korea

In addition to the current 60 precedents, another new 60 Korean IP precedents will be added this year. During the summer vacation, the person responsible for the Korean project will visit Korea to consider the working group framework and discuss with the related parties.

(COE Research Associate Lea Chang)

Events and Seminars

For inquiries, please visit our website.

RCLIP Workshop Series No.21

【Date】June 29, Friday, 2007, 18:30-20:30
【Place】Surugadai Kenkyuto, Meiji University
【Lecturer】Tetsuya Imamura, Lecturer, School of Information and Communication, Meiji Univ.
【Theme】"Theoretical Speculation on Copyright Protection Period – Based on the Discussions in the Western Nations"

RCLIP Workshop Series No.20 (postponed)

※It was originally scheduled on May 25, but postponed due to a school close forced by the outbreak of measles.
【Date】July 20, Friday, 2007, 18:30-20:30
【Place】Bldg #8, Waseda University
【Lecturer】Shigeki Chaen, Professor of Osaka University Graduate School of Law
【Theme】 "Limitation of Trademark"

RCLIP International Symposium - IP Enforcement in Asia, Part 2

【Date】November 23, Friday and 24, Saturday, 2007, 10:00-17:00
【Place】Ibuka Hall, International Conference Hall, Waseda University

This international symposium will invite academics, practitioners, and judges from seven Asian countries including China, Vietnam, Taiwan, Indonesia, Korea, Thailand, and Japan.
On the day one and in the morning of the day two, Japan joins three pairs of countries: China and Vietnam, Taiwan and Indonesia, Korea and Thailand to hold a trilateral session. This session includes reports on specialized themes and discussions. In the afternoon of the day two, a meeting of IP expert judges of seven Asian countries will be held in the form of hypothetical case study. The judges will make decisions on the hypothetical case.
This symposium will be the highlight of the Asian IP Precedents Database that the RCLIP has been working on for a long time.
http://www.21coe-win-cls.org/rclip/db/index.html
In addition, it will be a quite valuable opportunity to learn up-to-date information from famous academics, practitioners and judges of seven Asian countries. We hope many participants will come to the event.
Further details will be placed at our website.

Editor/issuer
Ryu Takabayashi,
Director of Research Center for the Legal System of Intellectual Property (RCLIP)
21coe-win-cls
Web-RCLIP@list.waseda.jp
http://www.21coe-win-cls.org/e_index.html